

DEPARTMENT OF THE TREASURY

Office of Foreign Assets Control

31 CFR Part 575

Iraqi Sanctions Regulations; Specially Designated Nationals List

AGENCY: Office of Foreign Assets Control, Treasury.

ACTION: Final rule; amendments to the list of specially designated nationals.

SUMMARY: The Office of Foreign Assets Control is amending the Iraqi Sanctions Regulations to add 4 banks and 30 individuals to appendix A, Individuals and Organizations Determined To Be Specially Designated Nationals of the Government of Iraq, and to supplement information provided for 6 previously listed Specially Designated Nationals by including additional addresses and aliases. Finally, the amendment adds to the appendices 14 entities and 11 individuals identified as SDNs of Iraq in the comprehensive SDN list published in the **Federal Register** on November 17, 1994, and adds revised information published in the comprehensive SDN list for 1 previously listed vessel.

EFFECTIVE DATE: February 1, 1995.

ADDRESS: Copies of the list of persons whose property is blocked pursuant to the Iraqi Sanctions Regulations are available upon request at the following location: Office of Foreign Assets Control, U.S. Department of the Treasury, Annex, 1500 Pennsylvania Avenue, N.W., Washington, D.C. 20220. The full list of persons blocked pursuant to economic sanctions programs administered by the Office of Foreign Assets Control is available electronically on *The Federal Bulletin Board* (see Supplementary Information).

FOR FURTHER INFORMATION CONTACT: J. Robert McBrien, Chief, International Programs Division, Office of Foreign Assets Control, tel.: 202/622-2420.

SUPPLEMENTARY INFORMATION:**Electronic Availability**

This document is available as an electronic file on *The Federal Bulletin Board* the day of publication in the **Federal Register**. By modem dial 202/512-1387 or call 202/512-1530 for disks or paper copies. This file is available in Postscript, WordPerfect 5.1 and ASCII.

Background

The Office of Foreign Assets Control ("FAC") is amending the Iraqi Sanctions Regulations, 31 CFR part 575 (the "Regulations"), to add new entries to appendices A and B. Appendix A, Individuals and Organizations

Determined to Be Specially Designated Nationals of the Government of Iraq, is a list of individuals and organizations determined by the Director of FAC to be within the definition of the term "Government of Iraq," as set forth in § 575.306 of the Regulations, because they are owned or controlled by or act or purport to act directly or indirectly on behalf of the Government of Iraq. Appendix B, Merchant Vessels Registered, Owned, or Controlled by the Government of Iraq or by Persons Acting Directly or Indirectly on Behalf of the Government of Iraq, is a list of vessels determined by the Director of FAC to be property of the Government of Iraq.

Appendix A to part 575 is amended to provide public notice of the designation of 4 banks and 30 individuals as Specially Designated Nationals. In addition, supplementary information is being provided for 6 previously listed Specially Designated Nationals by including additional addresses and aliases. The amendment adds to appendix A 14 entities and 11 individuals identified as SDNs of Iraq in the comprehensive SDN list published in the **Federal Register** on November 17, 1994, 59 FR 59460. Finally, the amendment adds to appendix B revised information published in the comprehensive SDN list for 1 previously listed vessel.

All prohibitions in the Regulations pertaining to the Government of Iraq apply to the entities and individuals identified in appendices A and B. All transactions with such entities or persons, or transactions in property in which they have an interest, are prohibited unless otherwise exempted or licensed in or pursuant to the Regulations.

Determinations that persons fall within the definition of the term "Government of Iraq" and are thus Specially Designated Nationals of Iraq are effective upon the date of determination by the Director of FAC, acting under the authority delegated by the Secretary of the Treasury. Public notice is effective upon the date of publication or upon actual notice, whichever is sooner.

The list of Specially Designated Nationals in appendices A and B is a partial one, since FAC may not be aware of all agencies and officers of the Government of Iraq, or of all persons that might be owned or controlled by, or acting on behalf of the Government of Iraq within the meaning of § 575.306. Therefore, one may not rely on the fact that a person or entity is not listed in appendix A or B as a Specially Designated National as evidence that such person or entity is not owned or

controlled by, or acting or purporting to act directly or indirectly on behalf of, the Government of Iraq. The Treasury Department regards it as incumbent upon all persons governed by the Regulations to take reasonable steps to ascertain for themselves whether persons with whom they deal are owned or controlled by, or acting or purporting to act on behalf of, the Government of Iraq, or on behalf of other countries subject to blocking or transactional restrictions administered by FAC.

Section 206 of the International Emergency Economic Powers Act, 50 U.S.C. 1705, provides for civil penalties not to exceed \$10,000 for each violation of the Regulations. Criminal violations of the Regulations are punishable by fines of up to \$250,000 or imprisonment for up to 10 years per count, or both, for individuals and criminal fines of up to \$500,000 per count for organizations. See 50 U.S.C. 1705; 18 U.S.C. 3571. In addition, section 586E of the Iraq Sanctions Act of 1990, Public Law 101-513, provides for civil penalties not to exceed \$250,000 and criminal fines of up to \$1,000,000 or imprisonment for up to 12 years, or both.

Because the Regulations involve a foreign affairs function, Executive Order 12866 and the provisions of the Administrative Procedure Act, 5 U.S.C. 553, requiring notice of proposed rulemaking, opportunity for public participation, and delay in effective date, are inapplicable. Because no notice of proposed rulemaking is required for this rule, the Regulatory Flexibility Act, 5 U.S.C. 601-612, does not apply.

List of Subjects in 31 CFR Part 575

Administrative practice and procedure, Banks, Banking, Blocking of assets, Exports, Foreign trade, Imports, Iraq, Loans, Penalties, Reporting and recordkeeping requirements, Securities, Specially designated nationals, Travel restrictions.

PART 575—IRAQI SANCTIONS REGULATIONS

For the reasons set forth in the preamble, 31 CFR part 575 is amended as set forth below:

1. The authority citation for part 575 is revised to read as follows:

Authority: 50 U.S.C. 1701-1706; 50 U.S.C. 1601-1651; 22 U.S.C. 287c; Public Law 101-513, 104 Stat. 2047-55; 3 U.S.C. 301; E.O. 12722, 55 FR 31803, 3 CFR, 1990 Comp., p.294; E.O. 12724, 55 FR 33089, 3 CFR, 1992 Comp., p. 317.

2. Appendix A to part 575 is amended by adding the following at the end of the introductory note, which immediately follows the appendix title: